United States Senate

WASHINGTON, DC 20510

December 2, 2021

The Honorable Nancy Pelosi Speaker of the House U.S. House of Representatives H-222, U.S. Capitol Washington, D.C. 20515 The Honorable Chuck Schumer Majority Leader United States Senate S-221, U.S. Capitol Washington, D.C. 20515

Dear Speaker Pelosi and Majority Leader Schumer:

We write in regards to your recent agreement to convene a bipartisan process to conference the Senate-passed United States Innovation and Competition Act (USICA). This critical piece of legislation to address American competitiveness currently includes \$52 billion to bolster domestic semiconductor manufacturing, \$2 billion of which will be dedicated exclusively to increasing production of "mature" semiconductors that are desperately needed by manufacturers that employ millions of Americans, especially in the automotive industry. As the authors of the \$2 billion fund, we request that you ensure that this essential support remains in the final legislative package which emerges out of the conference process.

The global semiconductor shortage has impacted a number of sectors in our nation's economy, with the automotive industry being the hardest hit. In the first three quarters of 2021 alone, automakers in North America lost an estimated 2.2 million vehicles from planned production. In Michigan, the semiconductor shortage has idled production at auto plants, forced automakers to cut back shifts for employees, and driven up car prices for working families. The long-term growth of the automotive industry is dependent on a healthy supply of semiconductors, but too often these vital components are made in foreign countries. That is why we first spearheaded the congressional effort to ensure that federal incentives to increase semiconductor production directly support union workers and create jobs in America while benefiting American manufacturers—including in the automotive industry—and advancing our national security interests.

As you work to conference the Senate-passed USICA, we urge you to maintain the \$52 billion in funding for domestic semiconductor manufacturing, including the \$2 billion for mature semiconductors that we authored and secured in the Senate-passed legislation. We stand ready to work with you on this important piece of legislation.

Sincerely,

Debbie Stabenow

United States Senator

Gary C. Peters

United States Senator